

April 16, 1998

Mr. Seyed Sadredin  
Director of Permit Services  
San Joaquin Valley Unified  
Air Pollution Control District  
1999 Tuolumne Street, Suite 200  
Fresno, CA 93721

Re: Proposed Title V Operating Permits for Double C Limited (number 961100), JP Oil (970413), Libbey Owens Ford (970102), Liquid Waste Management (961134), Madera Glass Co. (960664), Owens Brockway Glass (960571), Silgan Containers Co. (970182), and Tenneco Plastics Co. (961130)

Dear Mr. Sadredin:

Thank you for the opportunity to review the eight proposed title V operating permits listed above, which we received on March 2, 1998. We appreciate the District's efforts to reach agreement with us on many of our concerns.

Based on conference calls held with you and Mr. McVaigh on April 14 and April 16, we believe that we have reached an agreement on most of the necessary changes for these proposed permits. The District may issue final permits for four sources (Double C Limited, Libbey Owens Ford, Liquid Waste Management, and Tenneco Plastics Company) after making the agreed-upon changes. EPA's comments on these proposed permits are enclosed.

As you know, there are still several remaining issues that have not been resolved for the other four proposed permits during our review period. We are enclosing a detailed description of our objection issues and suggested changes for these proposed permits (Madera Glass Co., Owens Brockway Glass Containers, JP Oil, and Silgan Containers). While we were not able to resolve all of these objections prior to the end of the review period, EPA and the District have identified changes that would address the majority of our objections. We will continue working with your staff to resolve these issues.

EPA objects to these permits, pursuant to its authority under Section 505 of the Clean Air Act (CAA), Part 70.8 of Volume 40 of Code of Federal Regulations (40 CFR 70.8), and District Rule 2520 Section 11.7.1. The District has 90 days to address EPA's objection issues. If the 90-day period expires without the objection being fully satisfied, section 505(c) of the Clean Air Act and 40 CFR §70.8(c)(4) require EPA to issue or deny the permit. Because the objection issues must be fully corrected, we recommend that the District provide us with revised permits well in advance of the expiration of the 90-day period so that any outstanding issues can be resolved.

We appreciate your April 16, 1998 letter committing to permit revisions in response to EPA's concerns. The letter stated your expectation that EPA would not object to four permits, including the proposed permit for Madera Glass Co., in response to the commitments in your letter. As we stated in our April 16, 1998 conference call, EPA and the District were not able to agree on the changes necessary for this proposed permit. However, we do agree that we were able to resolve all issues for four of your proposed permits, as well as the majority of issues for Madera Glass Co.

I would like to thank you and your staff for all your help in providing information and in discussing these issues with us. We are pleased to have reached agreement on the majority of our potential objection issues. San Joaquin's engineering analyses, provided with each permit, have been a valuable tool in determining whether all applicable requirements have been addressed. If you have any questions concerning our comments, please contact Matt Haber at (415) 744-1254.

Sincerely,

David P. Howekamp  
Director,  
Air Division

Enclosures

cc: Martin Keast, SJVUAPCD  
Rick McVaigh, SJVUAPCD  
Ray Menebroker, CARB  
(continued)

Charlette M. Sears, Tenneco Plastics Co.  
Chris O' Hara, Liquid Waste Management Inc.  
Tom Skupnjak, Double C Limited  
Chris Vanway, JP Oil  
Alex C. Locklear, Libbey Owens Ford  
Gordon E. Hughes, Madera Glass Co.  
William M. Kerns, Owens Brockway Glass  
Jerry Lutterman, Silgan Containers Co.

**ENCLOSURE ONE:  
EPA'S OBJECTIONS ISSUES AND COMMENTS ON JP OIL, MADERA  
GLASS, OWENS BROCKWAY GLASS CONTAINERS, AND SILGAN  
CONTAINERS**

**JP Oil (C-307), project #970413**

*Objection Issue:*

This permit does not contain compliance requirements for the source's daily emission limits for the 225 HP and 300 HP natural gas fired engines. As we have discussed, we have reviewed the available AP-42 emission factor and found that it is not adequate to show compliance in lieu of periodic monitoring. Therefore, the permit must contain periodic stack testing and operational or parameter monitoring for compliance with these limits.

We understand that the source will be required to test every two years beginning in 1999 and perform other operational or parameter monitoring due to District requirements. We recommend adding these requirements to the title V permit conditions to provide adequate periodic monitoring, although we would be willing to discuss other District proposals. Any representative source testing would have to be consistent with our previous agreements on representative source testing.

*Comment:*

The propose title V permit for unit 6 contains a different horsepower than existing District permits (300 hp vs. 225 hp). We recommend that the District revise or add any necessary permit conditions after determining the reason for this discrepancy.

**Silgan Containers – Riverbank facility (N-2174), project #970182**

*Objections:*

*1) Lack of Information Necessary to Adequately Review the Proposed Title V Permit*

EPA hopes to work with the District in the future to complete our review of all applicable requirements prior to the close of the EPA review period. However, the District has not provided the information necessary to adequately review this proposed Title V permit in response to our March 24, 1998 letter and other requests. Under 70.8(c)(3)(ii), failure of the permitting authority to provide any information necessary to adequately review the proposed Title V permit is grounds for EPA objection. EPA would prefer to receive the necessary information or

extend our review period rather than objecting to proposed Title V permits. However, we have agreed to CAPCOA's request that EPA formally object to proposed Title V permits in lieu of an extension of our 45-day review period in these cases.

The basis for our objection is the lack of information necessary to adequately review the proposed title V permit, specifically for the applicable requirements under rule 210 of the Stanislaus State Implementation Plan. As you know, EPA has generally not reviewed existing NSR permit conditions for compliance with SIP requirements during the title V process. However, EPA reserves the right to request sufficient information to review all applicable requirements, including situations where preconstruction permits do not contain numerical emission limits.

## *2) Compliance with Rule 4604 for Can Coating*

We agree with the District's overall compliance approach for the efficiency of the incinerator. The proposed permit requires the source to measure the minimum temperature for the incinerator and source test the incinerator annually. We request that the District retain the existing 1400 degree Fahrenheit temperature requirement or show that 1300 degrees is adequate to achieve the required emission limits.

Since the source had to improve capture efficiency to show compliance with the 90% overall reduction requirements of rule 4604, the District must add similar operating conditions for the emissions capture system (such as minimum actual cubic feet per minute (acfm), fan horsepower, and/or other monitoring) to ensure compliance with rule 4604. We also recommend specifying that the source perform source testing of the incinerator at the maximum potential or permitted through-put, and suggest using total acfm (of VOC plus air) to determine incinerator throughput.

## *3) Permit Shields from New Source Performance Standards for Base-Coating*

The District must add the prohibition on producing beverage cans for units 8, 9, and 10, or delete the permit shield from NSPS subpart WW. We recommend adding the prohibition included as condition 11 in the other unit-specific permits for the assembly and end coating lines.

The District must also add a prohibition on coating metal coils, as defined in NSPS sub-part TT, for the base coating operations or remove this permit shield from the unit specific permits for these three units.

## *4) Solvent Disposal Limits*

Stanislaus County SIP rule 409.2 prohibits the source from disposing a total of 1.5 gallons per day of photochemically reactive organic solvents by any means which will permit the evaporation of such solvent into the atmosphere. The source uses cleaning solvents for the end manufacturing line, although the permit application and permit evaluation do not address the photochemical reactivity of these solvents. The final permit conditions must assure compliance with this requirement.

5) *Lithography*

The District must evaluate all requirements that could apply to this operation (including EPA's NSPS and District rule 4607 for graphic arts) and include all applicable requirements for this operation in the final Title V permit for this source.

6) *Stanislaus County Rule 409*

EPA intends to revise the Stanislaus County SIP in the near future. However, neither the applicable requirements (SIP rule 409) nor the County regulations contain an exemption for the can coating source category. We recommend that the District determine whether the VOCs used by Silgan are photochemically reactive are therefore subject to SIP rule 409. If Silgan is subject to this rule, we recommend that the District work with EPA to coordinate permit issuance with EPA's SIP review process.

**Madera Glass (Facility No. C-801, Project No. 960664)**

Glass Furnaces #1 and #2 (C-801-1-1 and C-805-2-1)

A. *Inappropriate Permit Shields (Potential Objection)*  
(The District has committed to resolving these issues in a letter dated 4/16/98 to EPA.)

1. The above-referenced proposed permits grant the source a shield from Rule 4354 (Glass Melting Furnaces). However, the permits do not contain Rule 4354's applicable NOx emissions limit. Consequently, the shield must be removed. Alternatively, the District can add the missing requirement and maintain the shield.

Also, as we commented on the umbrella template and other templates, when a District Rule is cited (cross-referenced) within a permit condition, the latest adoption or amendment date should be included, so that it is clear with which version of the Rule the source must comply. This is necessary, since the District may adopt a stricter version of the Rule in the future.

This comment also applies to all permit conditions with the same deficiency.

2. The proposed permits grant the source an inappropriate shield from Rule 4202 (PM Emissions Rate Based on Process Weight), as the permits do not contain the applicable equation from the Rule. The EPA White Paper #2 requires emissions limits to be stated explicitly in Title V permits. Therefore, the permits must include the appropriate equation in Rule 4202, which is used to determine the applicable emissions limit. The permits must also contain requirements to keep records of operational hours and throughput, in order to calculate emissions limit, before a shield can be granted for the Rule. {Please refer to our comment on the same topic for the Gallo Glass permit in batch #3 for more details.} This comment also applies to the Material Handling permit (C-801-3-1).
3. The proposed permits do not state the sulfur compound emissions limit in District Rule 4801 and Madera Rule 407. Applicable requirements must be specifically addressed in a permit before a shield from these requirements can be granted.
4. As agreed on other glass plants, we recommend removing the permit shield for 40 CFR 60, Subpart CC (Glass Plants).
5. As agreed on other glass plants, the permit shield for 40 CFR 61, Subpart N (NESHAPS for arsenic emissions from glass plants) must contain a prohibition on the use of commercial arsenic.
6. The permits grant an inappropriate shield from District Rule 4301 and Madera County SIP Rule 405 (Fuel Burning Equipment). The District based its assumption that Rule 4301 is more stringent than the SIP-approved Rule 405 on a letter issued by EPA on 8/20/96. (Note that the engineering analysis and the shield provision in the permit made a typographical error in referring to the SIP Rule as Rule 408.) However, a closer look at Rules 4301 and 408 shows that the EPA's stringency finding was incorrect. Rule 4301 applies to fuel burning equipment, defined as those that burn fuel for the purpose of producing heat or power by indirect heat transfer. Hence, by inference, equipment, such as the furnaces at this source, that use direct heat transfer would properly be exempt from Rule 4301 requirements.

By contrast, Rule 405 merely defines fuel burning equipment as those that burn fuel for the purpose of producing heat or power, without making reference to the method of heat/power production. Thus, Rule 405 appears to be stricter than Rule 4301, in that it allows no exemption for

direct heat transfer equipment. Consequently, the furnaces are still subject to Rule 405 requirements, notwithstanding the EPA Stringency letter, since the finding is a preliminary and legally non-binding determination. Therefore, unless the District can demonstrate that Rule 405 does not apply to the units, condition(s) must be added to the permits to address the requirements of Rule 405, before a shield from the Rule can be granted. Appropriate monitoring must also be added to assure continued compliance with the Rule's emissions limits. Alternatively, the District can remove the shield from Rule 405 from the permit to satisfy our concern.

In a conference call with EPA on 4/14/98, the District asserted that, based on the District's Federally Mandated Operating Permit Rule 2520, the Title V permits do not have to specifically address an applicable requirement to qualify for a shield, as long as the District determined in the engineering analysis (application review) that compliance with the requirement is expected. This approach is problematic for the reasons listed below:

- a. 40 CFR 70.6(f) (1) states that a shield may be granted from applicable requirements, provided that (i) "such applicable requirements are included and are specifically identified in the permit;" or (ii) "the permitting authority, in acting on the permit application or revision, determines in writing that other requirements specifically identified are not applicable to the source, and the permit includes a determination or concise summary thereof." Thus, it is clear that if a requirement is determined to be applicable to a unit, that requirement must be specifically addressed in the Title V permit, before shield can be granted. If a requirement is determined by the District in writing to not be applicable, the Title V permit must still contain a concise explanation, before a shield can be provided (many of requirements for which a shield is requested do not meet this criterion). Notwithstanding Rule 2520, under 40 CFR 70.8(c), EPA must object to the issuance of any proposed permit that we determine not to be in compliance with the requirements of part 70.
- b. The District also referred to the possibility that the proposed permits already have sufficient requirements to assure compliance with the NOx limit of Rule 4354, thereby streamlining away the requirements of Rule 4354. However, the accompanying evaluation contains no streamlining demonstration and the permits contain no other requirements on NOx emissions.
- c. The District's Rule 2520, section 9.1 states that each permit issued under this rule shall include "emission limitations and standards, including those operational requirements and limitations that assure compliance with all applicable requirements at the time of permit issuance." [underline added]



B. *Inadequate Periodic Monitoring - Also Applies to Owens Brockway (Objection)*

The proposed permits only require that source testing be conducted once every two years to demonstrate compliance with Rules 4201 and 4202 PM emissions limits. At the 4/16 conference call with EPA, the District reaffirmed the once-every-two-year testing frequency, despite a typographical error in the analysis representing the required frequency as biannual (twice a year). Similarly, the District also stipulates every-other-year testing for furnaces 22-A, 22-B, and 22-C in the Owens Brockway permits. EPA believes that the proposed frequency is insufficient to assure compliance with the requirements. A reference material (Air Pollution Engineering Manual, 1992, A. Buonicore/W. Davis) gives the characteristic particulate emissions from a typical glass manufacturer as 0.02-0.35 g/dscf (the median of this range is therefore 0.19 g/dscf). This means that on any given day, there is a possibility that the source could be in violation of the 0.1 g/dscf limit of Rule 4201.

Another concern is that the source testing data provided to show the Owens Brockway furnaces' expected compliance with Rule 4201 indicates that the safety margin is very small (e.g. 80% of the limit for Furnace B), even if the assumptions for the calculations are correct. In addition, no compelling data was submitted to verify expected compliance with the PM emission limit, based on process weight, of Rule 4202 for either the Madera Glass or Owens Brockway furnaces. As a result, the permits must be revised to include more frequent compliance testing. We believe that the biannual testing (twice per year) is an acceptable frequency.

C. *Lack of Periodic Monitoring for 20% Opacity - Also Applies to Owens Brockway (Objection)*

The proposed permits do not have any period monitoring provisions to assure compliance with the 20% opacity limit, whereas a continuous opacity monitoring system (COMS) is required for the furnace at Libbey-Owens Ford and smaller furnaces at Owens Brockway. During the 4/14 conference call, the District proposed requiring the source to check for compliance using EPA Method 9 on an annual basis, as part of the annual compliance certification. EPA does not believe this is an adequate monitoring frequency, when considering that a reference material (Air Pollution Engineering Manual, 1992, A. Buonicore/W. Davis) gives the characteristic opacity from a typical glass manufacturer as 10-50% (the median of this range is therefore 30%). This means that on any given day, there is a possibility that the source could be in violation of the 20% limit.

In view of this, we believe that the source must conduct daily visible emissions inspections, if it does not wish to install COMS. If a method 22 inspection indicates that exceedance of the limit is likely, the source must promptly initiate

EPA Method 9. Appropriate recordkeeping of inspection results, cause, and corrective action taken must also be added. If the District can show that emissions from these furnaces are less than the typical 10-50% opacity, the permit could be revised to allow a decrease in frequency of daily checks (but not less than weekly). *(This comment also applies to Owens Brockway's Furnace 22-B.)*

D. *Omission of PTO Conditions (Comment)*

The proposed permits do not contain the PTO emissions limits for NO<sub>2</sub>, SO<sub>2</sub>, and PM. The District explained during the 4/14 call that these limits appeared to be from Rule 4301 and were erroneously included in the PTO. As these limits are also in Rule 405 and the units may still be subject to Madera SIP Rule 405, they may need to be included in the Title V permits. Please see our comment above on this matter.

E. *Omission of Fuel Type (Comment)*

The permits do not specify the fuel types allowed to be fired in the furnace. If fuel oil is an allowable alternative, the District must add a requirement to require source testing within an acceptable time frame after firing to demonstrate compliance with emissions limits. The District agreed at the 4/14 call to address this problem as suggested by EPA.

Mold Swabbing (C-801-11-1)

A. *Omission of Periodic Monitoring for Rule 4201 (Objection)*

The permit does not contain periodic monitoring to assure compliance with Rule 4201's PM emissions limit. Additionally, the analysis does not provide any source test data to support the exclusion of compliance monitoring. According to the District staff during telephone conversations with EPA, Rule 4201 may not be applicable to the unit, as PM emissions are not vented through any stack at the unit. The District must therefore provide a demonstration to support such claim.

B. *Omission of Test Method to Verify Compliance with PM Limit (Objection)*

The permit does not specify a test method to verify compliance with the PM emissions limit, in the event visible emissions are detected in excess of 20%, nor does it specify a time frame within which the test must be performed. Thus, this missing information must be added to the permit. This objection issued will be resolved, if requirements are added to address our concerns, as committed to by the District during the 4/16 call.

## Owens Brockway Glass Containers

### Glass Furnaces #22-A (N-593-12-1), 22-B (N-593-13-1), and 22-C (N-593-10-1)

#### A. *Inappropriate Permit Shields (Objection)*

Please refer to our comments above regarding the inappropriate shields from the requirements of District Rules 4202 and 4354, as well as 40 CFR 61, Subpart N.

#### B. *Requirements for New, Modified, or Reconstructed Glass Furnaces (Objection)*

##### 1. Furnace 22-C

EPA issued Owens-Brockway (then Owens-Illinois) a May 3, 1977 PSD permit that allowed Owens-Brockway to increase the capacity of Furnace 22-C to 300 tons per day of glass produced (page 1 of PSD permit number SJ 76-32). The PSD permit analysis lists the corresponding furnace fill rate as 350 tons per day (p.2 of PSD analysis). The proposed Title V permit limit for the furnace does not include the 300 tons of glass per day limit and allows a furnace fill rate of 416 tons per day. According to EPA's records, Owens-Brockway has never requested or been issued an increase in the PSD permit production limit. Therefore, the PSD permit limit of 300 tons per day glass produced must be included as an applicable requirement in the PSD permit. Accordingly, the permit shield for EPA's New Source Performance Standard for glass plants (40 CFR part 60 subpart CC) must be removed.

In addition, the permit evaluation and conditions must be revised to assure compliance with any applicable requirements for new, modified, or reconstructed glass furnaces. These requirements include the New Source Performance Standard for glass furnaces (40 CFR 60, Subpart CC) and preconstruction permitting requirements. EPA Region IX would like to work cooperatively with District to perform any necessary applicability review and determine which specific emission limits would be necessary to assure compliance with any applicable requirements for new, modified, or reconstructed glass furnaces.

##### 2. Furnaces 22-A and 22-B

The District issued an NSR modification permit for Furnace 22-A in 1989. From the information provided and EPA records, it is unclear whether Furnace 22-B has also undergone any modification that may have triggered 40 CFR 60, Subpart CC. We recommend addressing any requirements for new, modified, or reconstructed unit that apply to Furnaces 22-A and 22-

B.

The permit and evaluation do not contain a substantive basis for the permit shield from EPA's New Source Performance Standard for glass plants (40 CFR part 60 subpart CC). In addition, the permit application provided to EPA does not contain a compliance certification or any information on this standard (as noted by the District's May 8, 1997 letter). Therefore, we recommend removing the permit shield as proposed for Libbey-Owens Ford.

B. *Omission of ATC and PSD Terms and Conditions - Applies to Furnaces 22-A and 22-C (Objection)*

The permits for Furnaces 22-A and 22-C do not include emissions limits (based on process weight) for NO<sub>x</sub>, SO<sub>x</sub>, and PM from the ATCs. These limits appear to be BACT or other requirements imposed by a federally-enforceable NSR permit, and must be reinstated in the Title V permits.

The permit for Furnace 22-C omitted the hourly emissions limit for PM contained in the EPA-issued PSD permit. The engineering analysis does not contain a streamlining demonstration as to why the daily PM emissions limit in the proposed permit is more stringent than the PSD limit. Therefore, the missing limit must be added to the Title V permit.

C. *Omission of Origin and Authority in the Citation (Comment)*

The District should include the corresponding San Joaquin County SIP Rule 404 when citing the origin and authority of the grain loading limit as District Rule 4201. Similarly, San Joaquin County SIP Rule 405 should be included, when citing District Rule 4202 as the origin and authority of the PM emissions limit, based on the process weight equation given in Rule 4202. Subsequently, a shield for the SIP rules may be granted, along with the replacement District rules, on the basis that these applicable requirements have been specifically identified and addressed in the permit, in accordance with 40 CFR 70.6(f)(1)(I).

D. *Hydrochloric Acid (Comment)*

This facility has emitted up to 33 tons per year of hydrochloric acid (in 1992), according to Toxics Release Inventory information. The source's Title V application potential emissions report does not list any potential to emit hydrochloric acid. Therefore, we suggest clarifying whether Owens-Brockway has the potential to emit major source major source amounts of any hazardous air pollutant (HAP) for future MACT applicability determinations.

E. *Compliance with 40 CFR 60, Appendix B (Comment)*

The District should ensure that the proposed permits require the COMS for Furnaces 22-A and 22-C to be in compliance with the calibration and specification requirements of Appendix B.

**ENCLOSURE TWO -  
EPA Comments on Double C Limited, Libbey Owens Ford, Liquid Waste  
Management Inc., and Tenneco Plastics Company**

**Double C Limited (S-1119), project #961100**

The following comments apply to each of two identical unit specific proposed permits.

*Potential Objections*

*1) Start-up, Shut-down, and Malfunction Exemptions*

The District has improved this exemption compared to the blanket exemptions in past proposed Title V for previous sources. However, it still exempts all limits that are not BACT conditions or daily emission limits. The District may only include exemptions when an applicable requirements specifically allows them. We recommend replacing condition 12 by adding exemptions in the permit conditions for the specific requirements that allow the exemption. For instance, condition three specifically states that the NSPS water injection requirement does not apply during start-up and shut-down.

The District must also delete the malfunction exemption for the VOC limit in condition 14, because the exemption is not allowed by the NSR permits for these turbines (ATC condition 27).

*2) Permit Shields*

Condition 34 of the unit-specific permits contains a permit shield from 19 requirements, including part 70, and portions of 2 others. We agree with the District's proposal to remove these shields except when the permit conditions specifically assure compliance with these limits.

*3) Acid Rain*

We appreciate the District's efforts to resolve this issue for earlier proposed permits for gas turbines. We agree that the permit shield should be removed and the permit evaluation and/or conditions (if necessary) revised to address acid rain requirements.

*4) Source Testing Frequency*

EPA concurs with the annual source testing required in the NSR permits for this source (ATC condition 29). However, the current language in condition 41 of the

proposed operating permit links source testing to the permit renewal date. This language is confusing because the ATC conditions were renewed annually and the Title V permit will be renewed once every five years. Therefore, the District has agreed to clarify that annual testing is required.

EPA was not aware of this discrepancy during our review of your previous six proposed title V permits for gas turbines. While we did not object to this language in earlier proposed Title V permits, we suggest that the District clarify source testing requirements before issuing the final permits for these sources as well. A source that mistakenly believes that testing is only required every five years could violate a federally-enforceable NSR requirement.

5) *NSPS sulfur content monitoring*

As noted in our earlier comments, we recommend that the District follow NSPS procedures for alternate monitoring schedules.

6) *District Rule 4301*

District rule 4301 prohibits fuel burning sources from emitting more than 140 lbs/hr of NO<sub>x</sub>, and Double-C Limited is potentially subject to this regulation. While the NSR conditions will generally limit the source to significantly lower emissions, these requirements do not always apply. Therefore, the District must ensure that the permit conditions require compliance with the applicable NO<sub>x</sub> limit during start-up and shut-down.

EPA did not comment on this issue for the prior proposed title V permits for gas turbines. However, we suggest that the District address this issue for all gas turbines (especially larger turbines) when possible to avoid the potential need for future permit revisions.

7) *Streamlining*

Because EPA's NSPS and District rule 4703 were streamlined in favor of the 4.5 ppm NO<sub>x</sub> limit, condition 19 must contain a citation to those rules. The CO limits in condition 20 should also contain a citation to District rule 4703.

Comment:

1) *NO<sub>x</sub> and CO Monitoring*

We concur with condition 54, which states that CEM data may be used to determine compliance with NO<sub>x</sub> and CO emission limits. We recommend adding averaging times for the concentration limits that are consistent with the original

short-term BACT limitation.

*2) Periodic Monitoring for PM and PM-10*

We appreciate the data on PM-10 stack tests that the District has sent us for different gas turbines in the San Joaquin Valley. We concur with the District that the concentration of PM emissions from gas turbines are expected to be much lower than the 0.1 gr/dscf emission limits, as the emissions for gas turbines across a range of sizes is much lower than this limit.

The source testing data for these turbines shows that gas turbine PM10 emissions are sometimes higher than the NSR PM-10 mass limit for Double-C Limited. However, most units are identified as LM-5000 turbines and other unidentified units may also be larger than the LM-2500 turbines at this facility. Therefore, source test data from LM-2500 turbines may be available to show that the emissions from LM-2500 engines are much lower than the NSR PM-10 limit for this source. Therefore, we recommend determining whether existing LM-2500 source test data adequately demonstrate that this source would comply with its PM-10 emission rate with an adequate margin of compliance in lieu of periodic stack testing.

**Libbey Owens Ford (N-477), project # 970102**

*Potential Objections:*

*1) Permit Shield for Glass Furnace*

A) District Rule 4354

We agree with the District that the permit conditions must assure compliance with rule 4354. The permit must also list the date of the version of rule 4354 that the source is shielded from, especially since we understand that the District has recently considered revisions to this rule.

B) District rule 4301

As we noted in our February 18, 1998 comments on the proposed Title V permit for Gallo Glass (source # N1662, project # 970327), the permit must contain a statement of basis for the proposed permit shield. For more details, please see comment (B)(2)(b) in Enclosure Two with that letter.

C) National Emission Standard for Hazardous Air Pollutants, subpart N, and New Source Performance Standards, subpart CC

We have agreed on a previous glass plant permit, this source will be restricted



from using “commercial arsenic” as defined at 40 CFR section 61.161<sup>1</sup>. We have also agreed that the permit shield for NSPS subpart CC (40 CFR part 60) will be removed because rebricking and other changes that are likely to occur in the future should be evaluated for NSPS applicability.

2) *Continuous Opacity Monitoring for Glass Furnace*

EPA concurs with the permit conditions that require the source to use continuous emissions monitoring to show compliance with the NO<sub>x</sub> and opacity emission rates. We also concur with the requirements that the source calibrate, operate, and maintain the NO<sub>x</sub> CEM according to EPA requirements.

The permit must also clarify the existing condition 20 to explicitly require the source to calibrate and maintain the continuous opacity monitor. We recommend requiring the source to follow EPA requirements for the COM as specified in 40 CFR part 60 Appendix B, performance specification 1, either explicitly or by reference to District rule 1080 section 6.7. We also recommend specifying the quarterly reporting listed in District rule 1080. These requirements also apply to Owens Brockway furnaces 22A and 22C.

We understand that the rule 1080 requirements listed in condition 44 for CEMs also apply to the COM, and we recommend revising condition 44 to state “CEMs and COMs”.

3) *San Joaquin County SIP rule 407 SO<sub>x</sub> Limit for Furnace*

San Joaquin County SIP rule 407 limits the concentration of SO<sub>x</sub> emissions from the furnace. Therefore, the permit must include conditions that assure compliance with the this limit.

4) *Existing PSD Permit Requirements for Glass Furnace*

A) PSD General Conditions

The District has shown that most of the EPA PSD permit emission limits are addressed by the proposed title V permit for the glass-melting furnace. However, the title V permit must add the requirement for LOF operate the emission controls to minimize emissions from the facility (PSD permit condition II). The District has elected to replace the PSD excess emissions reporting with District reporting requirements. Therefore, the Title V permit must also require that LOF submit those reports of excess emissions to both the District and EPA (PSD permit

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<sup>1</sup>See comment (B)(2)(c) in Enclosure Two with our February 18, 1998 letter.

condition VIII(B). In addition, permit conditions based on both the District ATC and EPA's PSD permit must contain a citation to EPA's PSD permit in addition to the citation to the District permit. These general PSD permit conditions apply to Furnace C at the Owens-Brockway glass plant as well.

#### B) Fuel Oil Limitation for Glass Furnace

The District analysis (p. 55) states that condition #14 for the glass melting furnace assures compliance with the PSD permit limit of 2,500 hours/year use of fuel oil. While this condition would limit the sulfur content of fuel oil that is burned, it does not actually limit the amount of fuel oil burned (which increases NOx emissions). As we have discussed, the District will demonstrate that an existing condition contains this prohibition or add this prohibition to the permit.

#### 5) *Source Testing for Glass Furnace*

The permit requires that LOF source test for each operating scenario that they utilize, and we agree that LOF must show compliance under the different operating scenarios that they are allowed. LOF has in the past requested that EPA approve four separate PSD permit limits based on different raw materials usage: low gypsum usage, high gypsum usage, low salt cake usage, and high salt cake usage. LOF also requested different conditions when burning different fuels. We recommend defining "operating scenarios" to require source testing under each set of conditions that the source operates under. We also recommend requiring LOF to record and report changes between operating scenarios.

#### 6) *PSD Applicability for Emission Increases*

##### A) Requirements for Hydrofluoric Acid Wash System (unit #12):

LOF requested that EPA exempt this unit from PSD requirements in 1985. EPA stated in an October 18, 1985 applicability determination that this unit would be exempt from PSD if practically enforceable permit conditions limited LOF's PTE. While the proposed title V permit requires LOF to develop a method to determine their emission rate, it does not actually contain any correlation between acid use and emissions. It also does not contain other conditions (i.e. source testing or a limit of 3 tons per year of hydrofluoric acid usage) that could be used to enforce the 3 tons per year limit on the source's PTE. Therefore, practically enforceable permit conditions must be added for this limit.

##### B) PSD Requirements for Glass Furnace

LOF reported an emission increase in air emissions from 250 lbs/yr of sulfuric acid emissions to the atmosphere in the late 1980's to 53,000 lbs/yr in 1995 under

EPA's Toxic's Release Inventory program. This increase exceeds the 7 tpy PSD significance threshold. While EPA is responsible for issuing PSD permits, the District's Title V permits must also ensure compliance with any applicable PSD requirements that were triggered by this increase. EPA will work with the District to coordinate our review with your permit issuance process

7) *Compliance Schedule for Glass Furnace, Cullet Conveying System*

LOF's title V application states that the furnace is out-of-compliance with NOx reduction limits and the cullet conveying system is out-of-compliance with the District fugitive emissions rule (8030). If the source is not in compliance with all applicable requirements at the time of permit issuance, the Title V permit must contain a compliance schedule.

LOF's application references a request to change certain condition(s) for the glass furnace. If the District decides to change the proposed title V conditions, District rule 2520 (section 11.3.3) requires a 45-day EPA review period prior to issuing a final Title V permit. We suggest that the District submit any such changes as soon as possible to avoid delays in issuing the final permit.

8) *Opacity, PM, and PM-10 Compliance Requirements for Material Handling*

We have reviewed the general opacity and PM compliance requirements for these units, and we agree that your operating and parameter monitoring for baghouses and fabric filters represent good monitoring requirements for the 20% opacity and 0.1 grain PM/dscf emission limits. We also agree with the proposed requirement to monitor a pressure gage, and recommend specifying an allowable pressure drop across the baghouse or fabric filter as well.

While these good operating procedures will also help reduce PM-10 emissions, operating procedures alone are not sufficient to show that certain units meet stricter PM-10 limits. The District must provide a demonstration that additional monitoring is not required or add periodic monitoring for those sources.

For instance, the NSR permits and proposed title V permits limit the "doghouse ventilation system" (permit unit # 1) to 0.22 lbs PM-10/ ton of throughput (30 tpy of PM-10). District staff has proposed showing that emissions controlled by a baghouse could meet this limit with just 90% efficiency. We would agree with this analysis if the District provided sufficient justification for the LOF's assumed inlet grain loading and reconciled these emissions with the higher emissions estimates in LOF's application. In addition, the permit would have to prohibit by-pass of the baghouse, since the emissions from the back-up cyclones would be much higher. Otherwise, periodic stack testing must be required to demonstrate compliance. The District must also provide an adequate demonstration or require periodic

monitoring for the raw material receiving station (unit #5), with permitted emissions of 101.8 lbs/day, and the enclosed grinder and conveyer (unit #7), which is limited to 0.053 lbs PM-10/ton of throughput (7.3 tpy of PM-10).

*9) Federal-enforceability of NSR Permit Conditions*

The District has proposed listing numerous recent NSR permit conditions for criteria pollutants as non-federally enforceable. Because these requirements are defined as applicable requirements under District rule 2520 (section 3.6) and part 70 (section 70.2), both rules require the inclusion of these requirements in the title V permit.

*A) 59.9 MMbtu/hr Boiler (permit unit 48)*

The District has proposed listing the NO<sub>x</sub> and CO concentration limits from the 1996 NSR permit for the 59.9 MMBTU/hr boiler (permit unit 48) as non-federally enforceable. As noted above, these conditions are applicable requirements under part 70 and District rule 2520. In addition, template BSG-21 lists similar limits as federally enforceable along with compliance requirements.

*B) Dust Collectors*

Several of the dust collector permits contain a prohibition on re-entrainment of materials removed from the dust collectors. As noted above, these conditions are applicable requirements under District rule 2520 and part 70.

*Comments*

*1) Sulfur Limits for Glass Furnace*

The permit conditions 13 and 15 do not appear to be consistent. Therefore, we suggest clarifying which limit applies during fuel oil firing. We also suggest clarifying the cross-reference contained in glass furnace condition 16. The underlying ATC appears to mistakenly refer to SO<sub>2</sub> limits by referencing a condition requiring NO<sub>x</sub> controls.

*2) NSPS for boilers*

We recommend addressing EPA's NSPS subpart Dc for this source, including initial notification to EPA.

**Liquid Waste Management Inc. (Facility No. S-730, Project Number 961134)**

*1. Certification (Comment)*

Please note that the certification submitted in December 1996 is complete. However, in a later certification submitted in March 1997, check boxes associated with the compliance certification were not completed. Please request that the facility submit a complete certification.

2. *Permit S-730-12-2 (Landfill) (Comment)*

We notice that the landfill (6.4 acre) has no federally applicable requirements (except for the General Conditions that apply to the entire facility). Since this is an environmentally important source of emissions, we suggest that you specifically require monthly record of waste deposited in the landfills and require VOC testing by a portable analyser similar to the test required for the land treatment area. This VOC emissions data is necessary to complement the monthly record of total mass of incoming waste (General Condition 39) to calculate VOC emissions as provided in this condition.

3. *Permits S-730-1-3, 730-2-3, 730-3-2, 730-4-2, 730-5-6, 730-6-4, 730-7-3, 730-9-3, 730-11-2 (Surface Impoundments) (Comment)*

For the 40 CFR 63 Subpart QQ applicability determination, HAP emissions from the incoming liquid waste were calculated from the results of one test. Based on this test and calculation, the facility estimated that HAP emissions are much lower than the MACT threshold levels of 10/25 tons per year (TPY) and concluded that the facility is not subject to 40 CFR 63. The proposed permit (General Condition 39) requires monthly testing of each surface impoundment for VOC/HAP. We agree with this proposed condition. However, we suggest that you improve the condition by specifying how a representative sample from each surface impoundment should be collected. We also suggest that you explicitly require submittal of the HAP emissions (based on the procedure initially provided -- analysis and records of incoming waste volume) in the biannual report. The data will ensure that the MACT applicability determination, which is based on a very limited data, is verified in the future.

4. *Permit S-730-5-6 (Surface Impoundment) (Comment)*

For this surface impoundment, a VOC emission limit (1.1 lb/day) is listed in the permit (condition 4). To ensure that this limit is met, the permit must require VOC testing. For example testing by a portable analyser at a prescribed frequency (such as weekly for the 1<sup>st</sup> Qt, biweekly the 2<sup>nd</sup> Qt, monthly afterward, if the result indicate a reasonable consistency of the waste) can be conducted to collect data to verify compliance. We believe obtaining this data is important, not only to verify compliance, but also to assess how this VOC emissions data compares to the higher emission rates provided in the application (56-190 tons per year).

5. *Permit S-730-14-1 (Soil Bioremediation) (Comment)*

This permit implicitly requires weekly records of soil OVA reading (Condition 9). We suggest that you improve the requirement by stating explicitly that testing and recording will be done weekly.

6. *Permit S-730-16-2 (Waste Water Treatment Facility) (Comment)*

For the waste water treatment plant, there is a VOC limit of 48.8 lb/day (Condition 8). However, there is no specific monitoring of VOC at various steps of this treatment system to ensure compliance with the provided limit. The permit must have a condition to ensure compliance with this limit. We suggest that you add monitoring (e.g., monthly monitoring with a portable analyser to measure VOC emissions at different activity areas or process steps such as drum/truck discharge, and decanting). This data will be needed to demonstrate compliance with annual emission limits.

7. *Rule Applicability (Potential Objection)*

The permit application does not provide adequate information on VOC releases from this facility, although it includes two tables showing large quantities of VOC emission. Therefore, it is not clear if the Kern County SIP rule 410.2 (Disposal and Evaporation of Solvents) is applicable to this facility. We realize that there is uncertainty about this applicability determination and the District is planning to eliminate this rule from the district rules. However, we believe that a condition must be included to refer to this potentially applicable requirement, unless you obtain facility data to demonstrate that the rule is not applicable. One option is to include the rule as an applicable requirement and add a sunset clause so that if the rule is removed the condition will no longer apply.

8. *Expiration date (Comment)*

The draft permit erroneously includes an expiration date of 12/31/2001. Please correct the date when the final permit is issued.

**Tenneco Plastics Company (Facility No. S-892, Project Number 961130)**

1. *General Conditions (Potential Objection)*

The requirements of 40 CFR 68 apply to this facility (see Section 6, page of applicability table provided by the applicant). The General Condition 40 must explicitly require compliance with the requirements.

2. *Test Procedures (Comment)*

The source test procedures must refer to the procedures provided in CFRs, SIP

approved procedures, or EPA approved equivalent test procedure. We draw your attention to District Rule 1081 which is not SIP approved. We are concerned about Section 6.3 of the test procedure provided in this rule regarding determining compliance based on two test runs. We suggest that you supplement these requirements by stating that when the results of two test runs are to be used for compliance demonstration, both agencies' approval will be necessary. This comment applies to each of the proposed title V permits.

3. *Permits S-892-6-1, 892-7-1, 892-8-1 (Storage Tanks) (Potential Objection)*

Permit Condition 2 sets a 10,000 ppm limit on VOC for leakage associated with line connections and fittings. There is no condition to verify compliance with this limit. Therefore, these permits must include monitoring to ensure compliance. We suggest monthly measurement of VOC by a portable analyser. Please also clarify Condition 1 of these permits to indicate if the relief valve is under pressure or vacuum.

4. *Permit S-892-10-6 (Extrusion Process) (Potential Objection)*

The extrusion process VOC limits are listed under Conditions 6 and 7. However, no emissions monitoring is required to verify compliance with these conditions. We suggest that you require records of calculated VOC emissions based on monthly process rate to demonstrate that VOC limits of these conditions are met. A procedure (e.g., a formula) to correlate the throughput/process rate with the VOC emissions must also be included.

5. *Expiration date (Comment)*

The draft permit erroneously includes an expiration date of 1/31/2001. Please correct the date when a final permit is issued.

**ENCLOSURE THREE**  
**Issues Applicable to Several Facilities**

*A. Inappropriate Permit Shields in Facility-Wide Permits (Objection)*

Condition 38 in the facility-wide permits grants a permit shield for a number of County SIP-approved rules, based on more recent SJVUAPCD regulations. EPA's 11/26/96 letter stated that only one of these SIP rules (Rule 401) was evaluated in a stringency determination. Thus, the District must provide a demonstration that the new District rules actually assure compliance with the replaced SIP rules. (Please refer to our comments on this problem for the umbrella template and other recent San Joaquin Title V permits, including the Chevron Pipeline Company in batch #3.) We understand from telephone discussions that you have formulated a response that may resolve this issue.

*B. Emergency IC Engines Fired on Diesel or Gasoline (Comment)*

The proposed Title V permits for these units, which are located at several of the eight facilities, currently require testing for PM compliance after 200 hours of operation, but not for opacity compliance. The District needs to demonstrate that the engines will stay below the 20% opacity limit to justify the lack of compliance monitoring. Additionally, we recommend that the term "emergency" be defined in the permit. The definition of "emergency" could be based on a modification of Condition 2 of the Rio Bravo Jasmin ATC #S-1751-9-1 as: "electrical power outages by the utility or power supplier."